REQUEST FOR CLEARANCE

NAME OF PROGRAM

CONTRACT NUMBER

DATE OF CAA BRIEFING

PURPOSE

- DOCUMENT PRELIMINARY PRICE PRENEGOTIATION OBJECTIVE PER FAR 15.406 AND AFFARS 5301.9000(b)(2)

- REQUEST CLEARANCE PER AFFARS 5301.9001(b), AFSPC FARS 5301.601(a)(ii), SMC/CC REDELEGATION LETTER DATED 9 JAN 03

BACKGROUND

- NAME/SYMBOL OF PROGRAM OFFICE
- NAME/LOCATION OF CONTRACTOR
- AIR FORCE NEGOTIATION TEAM (AFNT)
  - CONTRACTING OFFICER
  - PROGRAM MANAGER
  - BUYER
  - PRICE ANALYST

BACKGROUND (CONT'D)

- NAME/DESCRIPTION OF ITEM BEING ACQUIRED (INCLUDE PICTURE IF AVAILABLE)
- PURCHASE HISTORY OF SAME OR SIMILAR ITEMS
  - PAST QUANTITIES
  - PAST PRICES
  - DATES/PERIODS OF PERFORMANCE
- ACQUISITION MILESTONES AND PHASES

CURRENT ACQUISITION

- **CONTRACTING AUTHORITY**
  - J&A (LIST FAAA EXCEPTIONS), CHANGES CLAUSE, OPTION, ETC.
- **QUANTITIES AND DELIVERY SCHEDULE**
- **IDENTIFY CONTRACT TYPE**
  - IF CPIF/FPIF: SHOW INCENTIVE GEOMETRY
  - IF AWARD FEE INCLUDED THEN ADDRESS:
    - » USE OF BASE FEE
    - » EVALUATION PERIOD(S)
    - » WHAT IS BEING INCENTIVIZED
    - » IDENTIFY FEE DETERMINING OFFICIAL
    - » ROLLOVER
  - OTHER INCENTIVE ARRANGEMENTS

CURRENT ACQUISITION (CONT'D)

- PERIOD OF PERFORMANCE
- FUNDING SITUATION/STATUS
  - FULL/INCREMENTAL FUNDING
  - TYPE/YEAR OF FUNDS
  - AMOUNT CURRENTLY COMMITTED
- FINANCING ARRANGEMENT
  - PROGRESS PAYMENTS? RATE?
  - PERFORMANCE-BASED PAYMENTS?
  - COMMERCIAL PAYMENTS?
- IF DEFINITIZING UCA(S), INDICATE:
  - NTE PRICE
  - DATES OF UCA AND AUTHORIZED EXPIRATION DATE
  - PERCENTAGE OF WORK COMPLETED (COST INCURRED AS PERCENTAGE OF COST OBJECTIVE)

MILESTONE SCHEDULE

- **AT A MINIMUM, PROVIDE DATES FOR THE FOLLOWING MILESTONES:**
  - SOLICITATION RELEASE
  - PROPOSAL RECEIPT
  - BUSINESS CLEARANCE APPROVAL
  - NEGOTIATIONS COMPLETE
  - CONTRACT CLEARANCE APPROVAL (NON-COMPETITIVE)
  - AWARD
- **ADD MILESTONES AS APPROPRIATE:**
  - EXAMPLES: ASP, J&A, AP/SAMP, UCA ISSUED, ETC.

NEGOTIATION ISSUES

- **STATUS OF SIGNIFICANT TERMS AND CONDITIONS**
  - **UNIQUE CLAUSES**
    - » **EXAMPLES: WARRANTIES, DATA RIGHTS, EPA, CONFLICTS OF INTEREST, SAVINGS CLAUSES, ETC.**
    - » **INDICATE PROPOSED AND AIR FORCE POSITIONS WITH RATIONALE**
- **OTHER ISSUES**
  - **EXAMPLES: TECHNICAL CONCERNS, DELIVERY SCHEDULES, RISKS, ADVERSE AUDIT AND CONTRACTOR SYSTEMS ISSUES RESOLUTION, ETC.**
- **AUDIT AND TECH REPORT NUMBERS AND DATES**

PRICE SUMMARY

ITEM	PROPOSAL DATE	OBJECTIVE	VARIANCE
SUBTOTAL COST	$000,000,000	$000,000,000	00%
FCCOM	00,000,000	00,000,000	00%
COST	$000,000,000	$000,000,000	00%
PROFIT/FEE	00,000,000	00,000,000	00%
PRICE	$000,000,000	$000,000,000	00%
PROFIT/FEE RATE	00.00%	00.00%	
CONTRACT TYPE			
INCENTIVE STRUCTURE			
OPTION PRICE(S)	$000,000,000	$000,000,000	00%

COST SUMMARY

ITEM	PROPOSED	OBJECTIVE	VARIANCE
MATERIAL	$000,000,000	$000,000,000	00%
MATERIAL OVERHEAD	000,000,000	000,000,000	00%
INTERDIV. TRANSFERS	000,000,000	000,000,000	00%
ENGRG LABOR	000,000,000	000,000,000	00%
ENGRG OVERHEAD	000,000,000	000,000,000	00%
MFG LABOR	000,000,000	000,000,000	00%
MFG OVERHEAD	000,000,000	000,000,000	00%
OTHER COST	000,000,000	000,000,000	00%
G & A EXPENSE	000,000,000	000,000,000	00%
SUBTOTAL	$000,000,000	$000,000,000	00%
FCCOM	000,000,000	000,000,000	00%
TOTAL COST	$000,000,000	$000,000,000	00%
PROFIT/FEE	000,000,000	000,000,000	00%
PRICE	$000,000,000	$000,000,000	00%

MATERIAL COST SUMMARY

ITEM	PROPOSED	OBJECTIVE	VARIANCE
CATEGORY 1	$000,000,000	$000,000,000	00%
CATEGORY 2	000,000,000	000,000,000	00%
CATEGORY 3	000,000,000	000,000,000	00%
CATEGORY 4	000,000,000	000,000,000	00%
CATEGORY 5	000,000,000	000,000,000	00%
TOTAL MATERIAL	$000,000,000	$000,000,000	00%

EXPLANATION:

PROVIDE RATIONALE ADDRESSING HOW PROPOSAL AND OBJECTIVE WERE DEVELOPED AND REASONS FOR VARIANCE.

SUBCONTRACTS/INTERDIV OVER $1M

NAME	PROPOSED	OBJECTIVE	VARIANCE
SUBCONTRACTOR	$000,000,000	$000,000,000	00%
SUBCONTRACTOR	000,000,000	000,000,000	00%
SUBCONTRACTOR	000,000,000	000,000,000	00%
SUBCONTRACTOR	000,000,000	000,000,000	00%
INTERDIVISIONAL	000,000,000	000,000,000	00%
INTERDIVISIONAL	000,000,000	000,000,000	00%
TOTAL	$000,000,000	$000,000,000	

EXPLANATION:

PROVIDE RATIONALE ADDRESSING HOW PROPOSAL AND OBJECTIVE WERE DEVELOPED AND REASONS FOR VARIANCE.

ADDRESS COST/PRICE ANALYSES REQUIRED BY FAR 15.404-3.

ENGINEERING LABOR HOUR SUMMARY

ITEM	PROPOSED	OBJECTIVE	VARIANCE
CATEGORY 1	000,000,000	000,000,000	00%
CATEGORY 2	000,000,000	000,000,000	00%
CATEGORY 3	000,000,000	000,000,000	00%
CATEGORY 4	000,000,000	000,000,000	00%
CATEGORY 5	000,000,000	000,000,000	00%
TOTAL HOURS	000,000,000	000,000,000	00%

EXPLANATION:

PROVIDE RATIONALE ADDRESSING HOW PROPOSAL AND OBJECTIVE WERE DEVELOPED AND REASONS FOR VARIANCE.

MANUFACTURING LABOR HOUR SUMMARY

ITEM	PROPOSED	OBJECTIVE	VARIANCE
CATEGORY 1	000,000,000	000,000,000	00%
CATEGORY 2	000,000,000	000,000,000	00%
CATEGORY 3	000,000,000	000,000,000	00%
CATEGORY 4	000,000,000	000,000,000	00%
CATEGORY 5	000,000,000	000,000,000	00%
TOTAL HOURS	000,000,000	000,000,000	00%

EXPLANATION:

PROVIDE RATIONALE ADDRESSING HOW PROPOSAL AND OBJECTIVE WERE DEVELOPED AND REASONS FOR VARIANCE.

LABOR RATE SUMMARY

ITEM	PROPOSED	OBJECTIVE
CATEGORY 1	$00.00	$00.00
CATEGORY 2	$00.00	$00.00
CATEGORY 3	$00.00	$00.00
CATEGORY 4	$00.00	$00.00
CATEGORY 5	$00.00	$00.00
CATEGORY 6	$00.00	$00.00

EXPLANATION:

ADDRESS FORWARD PRICING RATE AGREEMENTS (FPRA) AND FORWARD PRICING RATE RECOMMENDATIONS (FPRR). IF FPRAs OR FPRRs DO NOT EXIST, INDICATE HOW RATES WERE DERIVED (EXAMPLE - DCAA RECOMMENDATIONS).

OVERHEAD RATES

ITEM	PROPOSED	OBJECTIVE
CATEGORY 1	000.0%	000.0%
CATEGORY 2	000.0%	000.0%
CATEGORY 3	000.0%	000.0%
CATEGORY 4	000.0%	000.0%
CATEGORY 5	000.0%	000.0%
CATEGORY 6	000.0%	000.0%

EXPLANATION:

ADDRESS FORWARD PRICING RATE AGREEMENTS (FPRA) AND FORWARD PRICING RATE RECOMMENDATIONS (FPRR). IF FPRAs OR FPRRs DO NOT EXIST, INDICATE HOW RATES WERE DERIVED (EXAMPLE - DCAA RECOMMENDATIONS).

OTHER COST SUMMARY

ITEM	PROPOSED	OBJECTIVE	VARIANCE
CATEGORY 1	$000,000,000	$000,000,000	00%
CATEGORY 2	000,000,000	000,000,000	00%
CATEGORY 3	000,000,000	000,000,000	00%
CATEGORY 4	000,000,000	000,000,000	00%
CATEGORY 5	000,000,000	000,000,000	00%
TOTAL OTHER COSTS	$000,000,000	$000,000,000	00%

EXPLANATION:

PROVIDE RATIONALE ADDRESSING HOW PROPOSAL AND OBJECTIVE WERE DEVELOPED AND REASONS FOR VARIANCE.

WEIGHTED GUIDELINES (WGL)

CONTRACTOR RISK FACTORS

	WEIGHT	RANGE	FACTOR	BASE	PROFIT
TECHNICAL RISK	40%	2% TO 6%	4.0%		
MANAGEMENT RISK	30%	2% TO 6%	4.0%		
COST RISK	30%	2% TO 6%	4.0%		
TOTAL PERFORMANCE RISK			4.0%	$000,000,000	$000,000,000
CONTRACT TYPE:	FFP	2% TO 4%	3.0%	$000,000,000	$000,000,000

	LGTH FACTOR	T. RATE	COSTS FINANCED	
WORKING CAPITAL	0.00	00.000%	$000,000,000	$000,000,000

FACILITIES CAPITAL EMPLOYED

	RANGE	VALUE	BASE	PROFIT
BUILDINGS	10% TO 20%	15%	$000,000,000	$000,000,000
EQUIPMENT	20% TO 50%	35%	$000,000,000	$000,000,000

PROFIT SUMMARY

	MARKUP	PROFIT	PROFIT
AFNT OBJECTIVE PROFIT	00.00%	00.00%	$000,000,000
CONTRACTOR PROPOSED PROFIT	00.00%	00.00%	$000,000,000

WGL EXPLANATION

- **PERFORMANCE RISK:**
- **CONTRACT TYPE:**
- **WORKING CAPITAL:**
- **FACILITIES CAPITAL:**

INCENTIVE STRUCTURE

- **PROVIDE EXPLANATION FOR:**
  - **FPIF - SHARE RATIOS AND CEILING COMPUTATION**
  - **CPIF - SHARE RATIOS, MAXIMUM FEE, MINIMUM FEE**
  - **AWARD FEE - BASE AND AWARD FEE POOLS**

SUMMARY OF PRICING ISSUES

- PRICING ISSUE # 1
- PRICING ISSUE # 2
- PRICING ISSUE # 3
- PRICING ISSUE # 4

NEGOTIATION RANGE REQUEST

- **PROVIDE EXPLANATION TO SUPPORT RANGE REQUEST FOR COST, PROFIT, PRICE AND INCENTIVE STRUCTURE AS DEEMED APPLICABLE BY THE AFNT. EXAMPLES WHERE NEGOTIATION RANGE MAY BE APPROPRIATE ARE:**
- **PENDING RATE CHANGES (NEW FPRA OR FPRR)**
  - **VENDOR PRICE CHANGES OR PURCHASE ORDERS**
  - **NEGOTIATED SUBCONTRACTS**
  - **UPDATED ACTUALS**

SUMMARY AND CONCLUSIONS

BASED UPON THE OBJECTIVE PRESENTED, THE AIR FORCE NEGOTIATION TEAM REQUESTS CLEARANCE APPROVAL TO PROCEED WITH NEGOTIATIONS.

PROPOSAL	AIR FORCE	REQUESTED	
DATE	OBJECTIVE	RANGE TO	
COST	$000,000,000	$000,000,000	AS
PROFIT/FEE	000,000,000	000,000,000	APPLICABLE
PRICE	$000,000,000	$000,000,000	$000,000,000
PROFIT/FEE RATE	00.00%	00.00%	00.00%

INCENTIVE ARRANGEMENTS AS APPLICABLE.

LIST OTHER APPROVALS REQUESTED SUCH AS SAVINGS CLAUSES, WARRANTY, ETC.